

Steve Brown: In comparison, D-FW houses undervalued

08:17 AM CST on Friday, February 3, 2006

If a new study is correct, North Texas homeowners shouldn't worry about a housing bubble.

Instead of an overheated market, Dallas-Fort Worth housing is among the most underpriced in the country, according to the year-end report by Local Market Monitor LLC.

The Massachusetts-based housing analyst looked at prices in 100 U.S. residential markets before deciding that the D-FW area was among the most undervalued home markets in the country.

Other Texas cities, including Houston, McAllen and El Paso – the most undervalued market on the list – also made the ranking.

"That's a much better position to be in than a lot of the other markets right now that are at the end of a period of expansion," said Ingo Winzer, president of the research firm. "The places that have had the strongest appreciation over the last five years – especially in California and Florida – are very likely to give a bunch of it back."

Local Market Monitor estimates that D-FW home values are 14 percent below the average for the cities it surveys.

Compare that to the most overpriced housing markets, which are mostly in California and Florida. They include Santa Barbara, Calif.; Naples, Fla.; Modesto, Calif.; and San Diego, which are all at least 70 percent overvalued, according to the researchers.

Along with the Texas cities, other places you are likely to find home bargains include Memphis, Tenn.; Little Rock, Ark.; and Fayetteville, N.C.

Buying near Galleria

A developer from Omaha, Neb., has gone shopping for a building site across from the Dallas Galleria.

Slosburg Co. has contracted to purchase the vacant tract on the east side of Noel Road just south of Peterson Lane. The property has been marketed for sale recently by Tom Clarke of Grubb & Ellis Co.

Slosburg has sought city planning approvals for a new apartment project to be built on the high-profile site. The company owns the nearby Dorchester apartments on Spring Valley Road.

Denison to get new office

Dallas-based CMC Commercial Realty Group has landed a big corporate project for Cigna.

The real estate developer will build a 140,000-square-foot office and call center for the health benefits company north of Dallas in Denison.

Designed by Hardy McCullah/MLM Architects Inc., the two-story building is to be constructed on the east side of U.S. Highway 75.

"We hope to get started on construction in June," said CMC principal Jesse Pruitt.

12 buildings bought

Chicago-based investor RREEF is starting 2006 with a big North Texas purchase.

Working on behalf of an institutional investment client, RREEF has purchased a dozen industrial buildings in Farmers Branch, Carrollton and East Fort Worth.

The buildings contain almost 1.2 million square feet and are in the Valwood and CentrePort business parks.

Jack Fraker and Randy Baird of CB Richard Ellis handled the sale by Prime Property Fund.

Marketing in Oak Cliff

Shea Commercial, the developer that's building office condominium projects in locations throughout Dallas-Fort Worth, is taking its product to Oak Cliff.

The Arizona-based company is marketing a new office condo complex on Zang Boulevard just over the bridge from downtown Dallas.

The vacant site is near Colorado Boulevard and adjacent to the Cliff Towers condominium redevelopment.

Byrne to build condos

Fort Worth-based general contractor Thos. S. Byrne Ltd. has been hired to build the Cresta Bella condominium high-rise on Turtle Creek.

Construction is scheduled to begin on the \$100 million project this spring.

The building will contain 55 residences ranging from 2,600 to more than 13,000 square feet.

Contractor Byrne has worked on projects including Dallas' Latino Cultural Center and the Kimbell Art Museum and Pier One Imports' corporate office in Fort Worth.